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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS:

2008 SEP 22 A 8:30

MIKE GLEASON - Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
KRISTIN K. MAYES  
GARY PIERCE

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF:

DOCKET NO. S-20600A-08-0340

MARK W. BOSWORTH and LISA A.  
BOSWORTH, husband and wife;

STEPHEN G. VAN CAMPEN and DIANE V.  
VAN CAMPEN, husband and wife;

MICHAEL J. SARGENT and PEGGY L.  
SARGENT, husband and wife;

ROBERT BORNHOLDT and JANE DOE  
BORNHOLDT, husband and wife;

MARK BOSWORTH & ASSOCIATES, LLC,  
an Arizona limited liability company;

3 GRINGOS MEXICAN INVESTMENTS, LLC,  
an Arizona limited liability company;

Respondents.

Arizona Corporation Commission

DOCKETED

SEP 22 2008

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**FOURTH**  
**PROCEDURAL ORDER**

**BY THE COMMISSION:**

On July 3, 2008, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Mark W. Bosworth and Lisa A. Bosworth, husband and wife; Stephen G. Van Campen and Diane V. Van Campen, husband and wife; Michael J. Sargent and Peggy L. Sargent, husband and wife; Robert Bornholdt and Jane Doe Bornholdt, husband and wife; Mark Bosworth & Associates, LLC ("MBA"); and 3 Gringos Mexican Investments, LLC ("3GMI") (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of notes and investment contracts.

1 On August 6, 2008, by Procedural Order, a pre-hearing conference was scheduled for  
2 September 18, 2008.

3 On August 15, 2008, Respondents Michael J. Sargent and Peggy L. Sargent filed a 12(b)(6)  
4 Motion to Dismiss the Alleged Violations of A.R.S. § 44-1991 ("Motion to Dismiss").

5 On August 21, 2008, Respondents Michael J. Sargent and Peggy L. Sargent filed a Motion to  
6 Stay and requested oral argument on the Motion ("Motion to Stay").

7 On August 28, 2008, the Securities Division filed a Motion to Extend Due Date for Response  
8 to Respondents Michael J. Sargent and Peggy L. Sargent's 12(b)(6) Motion to Dismiss the Alleged  
9 Violations of A.R.S. § 44-1991.

10 On August 28, 2008, Respondents Stephen Van Campen and Diane Van Campen filed a  
11 Joinder to the Sargent Respondents' Motion to Stay and also filed a Motion to Quash Subpoena.

12 On September 5, 2008, the Securities Division filed its Response to the Motion to Dismiss  
13 and also filed its Response to the Motion to Stay.

14 On September 9, 2008, the Sargent Respondents filed a Notice of Intent to File Reply Briefs  
15 in Support of their (1) Motion to Stay and (2) 12(b)(6) Motion to Dismiss.

16 On September 11, 2008, the Securities Division filed its Response to Respondents Van  
17 Campen's Motion to Quash Subpoena and also filed its Response to Joinder of Respondents Stephen  
18 Van Campen and Diane Van Campen in Respondents Sargents' Motion to Stay Proceedings.

19 On September 12, 2008, a Procedural Order was issued stating that due to the unavailability  
20 of the Administrative Law Judge ("ALJ") assigned to hear this matter, that no substantive motions  
21 would be heard at the September 18, 2008, pre-hearing conference, but at that time, discussions  
22 would be held to schedule a subsequent pre-hearing conference to address the motions filed in this  
23 matter.

24 On September 17, 2008, Respondents Michael J. Sargent and Peggy L. Sargent filed their  
25 Reply in Support of Motion to Stay and request for oral argument. On the same day, the Sargent  
26 Respondents filed their Reply in the Support of the 12(b)(6) Motion to Dismiss the Alleged  
27 Violations of A.R.S. § 44-1991.

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1 A pre-hearing conference was held as scheduled on September 18, 2008. Respondents and  
2 Staff appeared through counsel, and dates for the purpose of resetting the pre-hearing conference  
3 were discussed. During the discussions, counsel for the Securities Division informed the ALJ that  
4 Attorney David Farney represents Respondents Mark W. Bosworth and Lisa A. Bosworth. Mr.  
5 Farney has not filed Notice of Appearance in this docket on behalf of his clients.

6 Accordingly, the pre-hearing conference should be scheduled to hear pending motions.

7 IT IS THEREFORE ORDERED that the **pre-hearing conference** for the purpose of  
8 addressing the motions filed in this matter shall commence on for **October 17, 2008, at 10:00 a.m.**,  
9 at the Commission's offices, 1200 West Washington Street, Hearing Room 1, Phoenix, Arizona.

10 IT IS FURTHER ORDERED that Mr. David Farney shall file a Notice of Appearance in this  
11 docket, on behalf of Respondents Mark W. Bosworth and Lisa A. Bosworth, no later than September  
12 28, 2008.

13 IT IS FURTHER ORDERED that subsequent to Mr. Farney's Notice of Appearance all  
14 parties shall provide any recently filed documents to the address listed on this filing's service list.

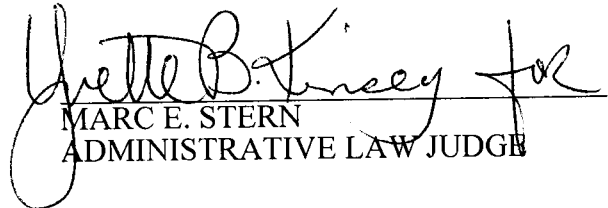
15 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113—Unauthorized  
16 Communications) is in effect and shall remain in effect until the Commission's Decision in this  
17 matter is final and non-appealable.

18 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules  
19 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro*  
20 *hac vice*.

21 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance  
22 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
23 Rules of the Arizona Supreme Court). Representation before the Commission includes the obligation  
24 to appear at all hearings and procedural conferences, as well as all Open Meetings for which the  
25 matter is scheduled for discussion, unless counsel has previously been granted permission to  
26 withdraw by the Administrative Law Judge or the Commission.

IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

Dated this 22<sup>nd</sup> day of September, 2008.

  
MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing were mailed/delivered this 22<sup>nd</sup> day of September, 2008 to:

Mark W. Bosworth and  
Lisa A. Bosworth  
18094 North 100<sup>th</sup> Street  
Scottsdale, Arizona 85255-2506

Mark Bosworth & Associates, LLC  
18094 North 100<sup>th</sup> Street  
Scottsdale, Arizona 85255-2506

Paul J. Roshka  
James M. McGuire  
ROSHKA DeWULF & PATTEN, PLC  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004-2262  
Attorneys for Respondents Michael J. Sargent and Peggy L. Sargent

Robert D. Mitchell  
Joshua R. Forest  
Julie M. Beauregard  
MITCHELL & FOREST  
Viad Corporate Center, Suite 1715  
1850 North Central Avenue  
Phoenix, Arizona 85004-4634  
Attorneys for Robert Bornholdt

Norman C. Keyt  
KEYT LAW OFFICES  
3001 East Camelback Road, Suite 130  
Phoenix, Arizona 85016-4400  
Attorney for Respondents  
Stephen G. Van Campen and Diane V. Van Campen

1 David R. Farney, Esq.  
2 7972 West Thunderbird Road, Suite 107  
3 Peoria, Arizona 85381-4903  
4 Attorney for Respondents Mark W. Bosworth and Lisa A. Bosworth

5 Matt Neubert, Director Securities Division  
6 ARIZONA CORPORATION COMMISSION  
7 1300 West Washington Street  
8 Phoenix, Arizona 85007

9 ARIZONA REPORTING SERVICE, INC.  
10 2200 North Central Avenue, Suite 502  
11 Phoenix, Arizona 85004-1481

12 By:

13   
14 Debra Broyles  
15 Secretary to Marc E. Stern  
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